

EXHIBIT 1

Insured JOHN D BETRES
Policy Number 97523084
Plan Phoenix Accumulator UL



Your Phoenix contract is enclosed.
Store in a safe place.



PHOENIX

PHL VARIABLE INSURANCE COMPANY

A Stock Company

Insured	JOHN D BETRES	Total Face Amount at Issue	\$6,000,000
Policy Number	97523084	Policy Date	October 23, 2007
Death Benefit	Option A	Issue Date	October 23, 2007
Plan	Phoenix Accumulator UL		

The PHL Variable Insurance Company ("the Company") agrees, subject to the conditions and provisions of this policy, to pay the Death Benefit to the Beneficiary in a lump sum upon the death of the Insured if such death occurs while the policy is in force, and to provide the other benefits, rights, and privileges of the policy. If the Company makes other plans of payment available other than a lump sum, then a Beneficiary may request written election of any such other plans in lieu of a lump sum. The Death Benefit will be payable on receipt at the Main Administrative Office of the Company of due proof of the Insured's death.

We are issuing the policy in consideration of the application and our receipt of the Minimum Initial Premium at our Main Administrative Office. The provisions of this and the following pages and any attachments make up your contract.

RIGHT TO RETURN THIS POLICY. This policy may be returned within 30 days (30 days for replacements) after you receive it for a refund of any premium received, less any withdrawals and loans made under this policy. This policy will be void from its beginning. You may return the policy by delivering or mailing it to us at the address below or by returning it to the agent or agency office through which it was delivered.

Main Administrative Office

PHL Variable Insurance Company
Variable and Universal Life Administration
P.O. Box 8027
Boston, MA 02266-8027
Telephone (800) 541-0171

Signed for PHL Variable Insurance Company at One American Row, Hartford, Connecticut 06103-2899.

President

Secretary

READ YOUR POLICY CAREFULLY

It is a legal contract between the Owner and PHL Variable Insurance Company

Universal Life Insurance Policy**Flexible Premiums**

Death Benefit payable at death of Insured

Nonparticipating – not eligible for dividends

Benefits, premiums, and the Risk Classification are shown in Section 1

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SECTION 1: SCHEDULE PAGES

POLICY NUMBER: 97523084

Insured	JOHN D BETRES
Age at Policy Date	74
Sex	Male
Risk Classification	Non-Smoker, Percentage Substandard 150.0%
Additional Ratings	Not Applicable
Owner, Beneficiary	As designated in the application or subsequently changed
Policy Date	October 23, 2007
Issue Date	October 23, 2007
Death Benefit Option at Issue	Option A
Life Insurance Qualification Test	Guideline Premium Test
Total Face Amount	Basic Face Amount at Issue \$6,000,000
	Supplemental Face Amount at Issue \$0
	Total Face Amount at Issue \$6,000,000
	<u>Premiums at Issue</u>
Premium Mode	Quarterly
Minimum Initial Premium	\$38,770.00
Planned Premium	\$85,055.00
Monthly Guarantee Premium	\$19,385.00

Other Benefits and Specifications

(See Rider Information for further details regarding riders)

Preferred Loan Amount at Issue	\$0
Interest Bonus Start Date	October 23, 2014
Guaranteed Death Benefit Period	5 Policy Years
Withdrawal Charge Period	Policy Years 1-10
Rider 1	Life Plan Options Rider

Notice: The actual premiums paid will affect the Policy Value, the duration of insurance coverage, and the amount of Death Benefit as described in Section 6. **Even if the Planned Premiums shown above are paid as scheduled, they may not be sufficient to continue the policy in force until the death of the Insured.** Unless the Total Cumulative Premium Test is satisfied during the Guaranteed Death Benefit Period, the policy will continue in force until the death of the Insured only if on each Monthly Calculation Date the Net Policy Value, less Policy Debt, during the first 9 Policy Years is at least equal to all due and unpaid Monthly Deductions. After the first 9 Policy Years, the Net Surrender Value on each Monthly Calculation Date must be at least equal to all due and unpaid Monthly Deductions.

SECTION 1: SCHEDULE PAGES (continued)

POLICY NUMBER: 97523084

Policy Charges**Deductions from Premium Payments**

Sales Charge* 10% of first \$380,133.60 of premium paid in the first Policy Year
7% of any premium paid in excess of \$380,133.60 in the first Policy Year
5% of all premiums paid in Policy Years 2 and thereafter.

*No sales charge will apply to any loan carried over as part of the initial premium paid for this policy.

Monthly Deduction (the following charges are deducted monthly from the Policy Value on each Monthly Calculation Date)

Issue Charge \$50.00 deducted during the first Policy Year only

Service Charge \$3.50 guaranteed not to exceed \$7.00.

Cost of Insurance Determined in accordance with Section 9. Maximum monthly rates per \$1,000 of Net Amount at Risk are shown in Section 2.

Rider Charges As hereinafter described in this Section 1 under Rider Information

Other Deductions

Overloan Transaction Charge 3.5% of the Policy Value, deducted when the overloan protection feature is exercised, as described in Section 14.

Surrender Charge The charges shown in this table are as of the beginning of each Policy Year. These Surrender Charges will reduce on a monthly basis to equal zero over time, as shown in this table. The policy's Surrender Charge is equal to the sum of that shown for the Basic Face Amount and that shown for the Supplemental Face Amount.

Table Of Surrender Charges

<u>Policy Year</u>	<u>Basic Face Amount</u>	<u>Supplemental Face Amount</u>
1	\$333,008	\$0
2	\$317,186	\$0
3	\$302,039	\$0
4	\$287,536	\$0
5	\$273,610	\$0
6	\$260,153	\$0
7	\$247,100	\$0
8	\$234,463	\$0
9	\$222,292	\$0
10	\$210,695	\$0
11	\$199,799	\$0
12	\$189,664	\$0
13	\$180,283	\$0
14	\$161,460	\$0
15	\$77,220	\$0
16	\$0	\$0
17	\$0	\$0
18	\$0	\$0
19	\$0	\$0
20	\$0	\$0
21+	\$0	\$0

We will not charge any Policy Charges after the Policy Anniversary which follows the Insured's 100th birthday.

SECTION 1: SCHEDULE PAGES (continued)

POLICY NUMBER: 97523084

Rider Information

	<u>Rider Description</u>	<u>Rider Issue Date</u>	<u>Benefit Amount</u>	<u>Rider Expiry Date</u>	<u>Rider Charge</u>
UR73	Life Plan Option Rider	10/23/2007			None

* Rider Charges for subsequent Policy Months are in accordance with those guarantees specified in the rider.

SECTION 1: SCHEDULE PAGES (continued)

POLICY NUMBER: 97523084

Table of Values**Refer to your policy provisions for details on the terms and values shown in this table.**

Minimum Total Face Amount	\$100,000
Minimum Basic Face Amount	\$100,000
Policy Loan Interest Rate	6%
Minimum Loan Amount	\$500
Minimum Withdrawal Amount	\$500
Guaranteed Minimum Interest Rate	4%
Policy Value Benchmark Percentage	40%
Guideline Single Premium	\$4,404,487.04
Guideline Level Premium	\$749,444.85
Maximum Annual Premium	\$1,000,000
Minimum Total Face Amount Decrease	\$10,000

SECTION 2: TABLE OF RATES

POLICY NUMBER: 97523084

MINIMUM DEATH BENEFIT PERCENTAGES & MAXIMUM MONTHLY COST OF INSURANCE RATE TABLE

<u>Attained Age</u>	<u>Minimum Death Benefit Percentage</u>	<u>Maximum Monthly Rates per 1,000 of Net Amount at Risk</u>	<u>Attained Age</u>	<u>Minimum Death Benefit Percentage</u>	<u>Maximum Monthly Rates per 1,000 of Net Amount at Risk</u>
74	107%	6.6150	88	105%	23.8612
75	105%	7.3500	89	105%	25.6612
76	105%	8.1325	90	105%	27.5238
77	105%	8.9550	91	104%	29.4799
78	105%	9.8088	92	103%	31.5937
79	105%	10.7149	93	102%	33.9537
80	105%	11.7087	94	101%	36.9562
81	105%	12.8149	95	100%	41.2450
82	105%	14.0650	96	100%	48.0687
83	105%	15.4737	97	100%	60.0250
84	105%	17.0137	98	100%	82.2475
85	105%	18.6499	99	100%	83.3333
86	105%	20.3500	100+	100%	0.0000
87	105%	22.0987			

Basis of Calculations: 1980 Commissioner's Standard Ordinary Mortality Smoker/Nonsmoker Distinct Table (Age Nearest Birthday) for the Insured's sex and Risk Classification, Age, and 4% effective annual interest rate. The Monthly Factor used in determining Cost of Insurance is 1.0032737.

If this policy is issued on a unisex basis, we will use the 1980 Commissioners' Standard Ordinary Mortality Smoker/Nonsmoker Distinct 80% Male Table (Age Nearest Birthday) for the Insured's Risk Classification, Age, and 4% effective annual interest rate. The Monthly Factor used in determining the Cost of Insurance is 1.0032737.

SECTION 3: DEFINITIONS

The term "**Age**" means, on any given date, the age of the person in question at his or her birthday nearest that date.

The term "**Age 100 Anniversary**" means the Policy Anniversary nearest the Insured's 100th birthday.

The term "**Attained Age**" on any date means the Age plus the number of whole years that have elapsed since the Policy Date.

The term "**business day**" means any day that we are open for business.

The term "**due proof of death**" means, a certified death certificate, an order of a court of competent jurisdiction, or any other proof acceptable to us.

The term "**in force**" means the policy has not terminated or otherwise lapsed in accordance with the Grace Period provision.

The terms "**in writing**," "**written notice**," and "**written request**" mean a written form signed by you, satisfactory to us and received at our Home Office or Main Administrative Office or such other medium electronic or otherwise that we may from time to time make available.

The term "**Issue Date**" means the date from which the Suicide Exclusion and Incontestability provisions are applied.

The term "**Minimum Initial Premium**" means the minimum premium needed to put the policy in force and is shown in Section 1.

The terms "**Monthly Calculation Date**" or "**Monthly Calculation Day**" mean the date on which monthly deductions are assessed from the Policy Value. The first Monthly Calculation Date is the Policy Date. Subsequent Monthly Calculation Dates are the same days of each month thereafter or, if such day does not fall within a given month, the last day of that month will be used.

The term "**Net Policy Value**" equals the Policy Value less the Policy Debt.

The term "**Net Surrender Value**" equals the Surrender Value less the Policy Debt.

The term "**notice**" means that whenever we are required to give notice to you, it shall be deemed given if we mail it to you and, unless otherwise specified, to the assignee of record, if any, in a postage-paid envelope mailed by first class mail to the last known address of record from our Main Administrative Office. If we mutually agree notice may also be provided by an electronic medium.

The term "**Planned Premium**" means the premium that is selected in the application or as later changed by you for this policy that you intend to be pay on a regular modal basis.

The term "**Policy Anniversary**" means the same day and month of each year as the Policy Date. If the day does not exist in a month, the last day of the month will be used.

The term "**Policy Date**" means the date shown in Section 1. Policy Charges are calculated from the Policy Date. Policy Years, Policy Months, and Policy Anniversaries are determined from the Policy Date.

The term "**Policy Debt**" means unpaid loans with accrued interest.

The term "**Policy Month**" means the period from one Monthly Calculation Date up to, but not including, the next Monthly Calculation Date.

The term "**Policy Value**" means the amount equal to the Net Premium credited less an amount not to exceed one month of Monthly Deductions from the Policy Value on the later of the Issue Date or the receipt of the first payment at our Main Administrative Office as shown in Section 1. Thereafter the Policy Value is determined by accumulating with interest the Policy Value for the prior day increased by Net Premiums credited and decreased by withdrawals and, on the Monthly Calculation Date, the Monthly Deductions from Policy Value shown in Section 1.

The term "**Policy Year**" means, with respect to the first Policy Year, the one-year period beginning on the Policy Date up to, but not including, the first Policy Anniversary. Each subsequent Policy Year is the one-year period beginning on a Policy Anniversary up to, but not including, the next Policy Anniversary.

The term "**Preferred Loan**" means any loan that is carried over as part of the initial premium paid for this policy from a previously issued policy plus any loan taken to pay loan interest on the Preferred Loan.

The term "**Surrender Value**" means the Policy Value less any applicable Surrender Charges, and less any unpaid issue charges.

The terms "**we**", "**us**", and "**our**" refer only to the Company.

The terms "**you**" and "**your**" refer only to the owner of this policy as defined in Section 17.

SECTION 4: Qualification as Life Insurance

The provisions of this policy are to be interpreted to ensure or maintain qualification as a life insurance contract for federal income tax purposes, notwithstanding any other provisions of the policy to the contrary. We reserve the right to make any reasonable adjustments to the terms or conditions of this policy, including distributions from the policy to the extent we deem it necessary, if it becomes necessary to maintain qualification as life insurance. This provision should not be construed to guarantee that this policy will receive tax treatment as life insurance or that the tax treatment of life insurance will never be changed by the future actions of any tax authority. To ensure that the policy qualifies as life insurance, one of the following tests will apply to the policy. The test you elected is shown in Section 1, Schedule Pages. Your election cannot be changed after issue. We reserve the right to refuse any premium payments that would cause the policy to fail the test you elected.

Guideline Premium Limit

Under the Guideline Premium Limit test, the sum of the premiums paid less a portion of any withdrawals, as defined in the Code, may not exceed the greater of:

- The Guideline Single Premium (as determined for your policy); or
- The sum of the annual Guideline Level Premium to the date of the payment.

If you elected this test, the Guideline Single Premium and the Guideline Level Premium are shown in Section 1. If at any time the premiums received under the policy exceed the amount allowable for such tax qualification, such excess amount shall be removed from the policy as of the date of its payment, together with interest thereon from such date, and any appropriate adjustment in the Death Benefit shall be made as of such date. This excess amount (plus or minus any interest) shall be refunded to you no later than 60 days after the end of the applicable Policy Year. If this excess amount (plus or minus any interest) is not refunded by then, the Total Face Amount under the policy shall be increased retroactively so that at no time is the Death Benefit ever less than the amount necessary to ensure or maintain such tax qualification. In no event, however, will we refuse to accept any premium necessary to prevent the policy from terminating.

Cash Value Accumulation Test

Under this test, the net single premium for the future benefits of the contract must always be greater than the Policy Value. The net single premium is that single amount that would provide for the cost of the Death Benefit and any applicable riders under this policy. We reserve the right to modify the Death Benefit Percentages shown in Section 2, retroactively if necessary, to ensure or maintain qualification of this policy as a life insurance contract for federal income tax purposes, notwithstanding any other provisions of this policy to the contrary.

SECTION 5: Total Face Amount

The Total Face Amount is made up of two components: (i) the Basic Face Amount, and (ii) the Supplemental Face Amount, if any. The Total Face Amount remains equal to the Total Face Amount at Issue, shown in Section 1, or as modified according to the terms of this Policy.

Reduction of Total Face Amount

You may request a reduction in Total Face Amount at any time after the first Policy Year provided this policy is in force and subject to the Minimum Total Face Amount. Any reduction in the Total Face Amount will be implemented by first reducing any Supplemental Face Amount. Any reduction in the Total Face Amount will be effective on the next Monthly Calculation Date after our approval. Upon a reduction in Total Face Amount, a pro-rata Surrender Charge will be deducted from the Policy Value based on the Policy Year and amount of the reduction in accordance with the Table of Surrender Charges shown in Section 1.

SECTION 6: Death Proceeds

If the Insured dies while the policy is in force, we will pay the Death Proceeds, as described below, upon receipt of due proof of death of the Insured, subject to any applicable provisions of the policy.

If the Insured dies on or after the date we receive a request from you to surrender the policy, no Death Proceeds will be paid. We will pay the amount payable under the Surrenders and Withdrawals provision instead. The Death Proceeds at the death of the Insured are equal to:

- (a) the Death Benefit, as described below, in effect on the Insured's date of death; plus
- (b) any insurance then in effect on the life of the Insured that is provided by any additional benefit riders; less
- (c) any Policy Debt then existing on this policy.

If the Insured dies during the Grace Period, the Death Proceeds payable described above will be modified as follows:

- (a) the Death Proceeds will be reduced by any outstanding Policy Charges due; and
- (b) the Policy Value used in the calculation of the Death Benefit will be the Policy Value as of the date of death of the Insured.

We will pay interest on any Death Proceeds paid in one sum in the event of the Insured's death from the date of death to the date of payment as required by applicable state law. If the state does not specify the interest rate, we will use the rate for Death Proceeds left on deposit with us.

Death Benefit

The Death Benefit under this policy will be determined under either Option A or Option B, whichever is then in effect.

Option A: The Total Face Amount on the date of death of the Insured or, if greater, the Minimum Death Benefit as described below.

Option B: The Total Face Amount plus the Policy Value on the date of death of the Insured or, if greater, the Minimum Death Benefit as described below.

If withdrawals are made, the Death Benefit will be reduced by reducing the Total Face Amount if Option A is in effect, or the Policy Value if Option B is in effect.

Minimum Death Benefit

The Minimum Death Benefit is equal to the Policy Value on the date of death multiplied by the applicable Minimum Death Benefit Percentage for the Attained Age of the Insured. The Minimum Death Benefit Percentages are shown in Section 2. To the extent that the Net Amount at Risk associated with the Minimum Death Benefit that results from this calculation exceeds our guidelines and limitations that may be in effect, we reserve the right to:

- (a) distribute to you a portion of the Policy Value such that the Net Amount at Risk associated with the resulting Minimum Death Benefit does not exceed our guidelines and limitations in effect; or
- (b) if we should decide to accept the additional death benefit, require evidence of insurability satisfactory to us.

Change in Death Benefit Option

While this policy is in force and prior to the Age 100 Anniversary, you may request in writing to change the Death Benefit Option, subject to the Minimum Basic Face Amount shown in Section 1. If, however, you have exercised the Overloan Protection feature as described in Section 14, the death benefit will be changed to Death Benefit Option A if it is not already in effect. No further changes to death benefit options will be allowed. Any change in Death Benefit Options will be effective on the next Monthly Calculation Date. Any change will be subject to the following:

- Change from Option A to Option B: the Total Face Amount will be reduced by the Policy Value.
- Change from Option B to Option A: the Total Face Amount will be increased by the Policy Value.

Any reduction in the Total Face Amount will be implemented by first reducing any Supplemental Face Amount, with no change to the surrender charge schedule of the policy.

If the Supplemental Face Amount is greater than 0, any increase in the Total Face Amount will be implemented by increasing the Supplemental Face Amount. If the Supplemental Face Amount is equal to 0, any increase in Total Face Amount will be implemented by increasing the Basic Face Amount.

We will not require evidence of insurability for a change in Death Benefit Options. You are limited to one change in Death Benefit Option per Policy Year. Any change in Total Face Amount as a result of a death benefit option change will not change the surrender charges for this policy.

SECTION 7: Guaranteed Death Benefit

The Guaranteed Death Benefit feature provides a guarantee during the Guaranteed Death Benefit Period that the Basic Face Amount, any Supplemental Face Amount, and any rider benefits of your policy will not terminate, regardless of Policy Value, if the Total Cumulative Premium Test is met.

Total Cumulative Premium Test – In order to pass this test, the total premiums paid by you less partial withdrawals, since policy issue, less policy debt must be at least equal to the sum of all Monthly Guarantee Premiums applicable for each Policy Month since the Policy Date.

The Monthly Guarantee Premium applicable on the Policy Date is shown on the Schedule Page of the Policy, and shall be the same for each Policy Month thereafter. However, if there is a change in the (a) Total Face Amount, (b) the addition, change or termination of a rider, or (c) a change in risk classification, we will modify the Monthly Guarantee Premium. The revised Monthly Guarantee Premium shall then be applicable for the Policy Month in which the change occurs and for each Policy Month thereafter until another change, if any, shall occur.

While the Guaranteed Death Benefit feature is in effect, monthly deductions will continue to be deducted from the Policy Value as provided for under the terms of this Policy. If the Policy Value is insufficient to cover such monthly deduction, such insufficiency shall be carried over as a charge to be deducted from such future Policy Value(s) as may later exist. No interest will accrue on these charges.

SECTION 8: Death Benefit On or After Age 100 Anniversary

Coverage under this policy on or after the Age 100 Anniversary is subject to the conditions specified below.

Death Benefit

The Death Benefit will be determined in the same respect as specified in Section 6, except as follows.

- If Death Benefit Option B is in effect, we will change to Death Benefit Option A effective on the Age 100 Anniversary, which means the Total Face Amount will not be increased by the Policy Value.
- The Death Benefit will be equal to the greater of (a) the Total Face Amount on the Date of the Insured's death, or (b) the Policy Value after the Age 100 Anniversary.

Premiums and Monthly Deductions

We will cease to take Monthly Deductions specified in Section 1, and we will not accept any further premium payments.

Credited Interest

We will continue to credit interest monthly to the Policy Value.

Policy Debt and Default

Loan interest will continue to be charged if there is an outstanding loan on the Age 100 Anniversary. The policy will go into default at any time the Policy Debt exceeds the Policy Value, and the Loans provision and the Surrenders and Withdrawals provision will still be in effect.

SECTION 9: Policy Value

Net Premiums Added

When we receive your premium payments at our Main Administrative Office, we deduct a Sales Charge which will not exceed the amount shown in Section 1 and add the balance remaining (the Net Premium) to your Policy Value. We will do this before we take any other deductions due on that business day. However, we will add any Net Premiums received before the Policy Date to your Policy Value as of the Policy Date. While a loan exists, we will treat the amounts you pay as premiums unless you request in writing that they be treated as loan repayments. If you instruct us to do so, we will first deduct from such payments the amount of accrued interest on loans and then deduct the amount specified as a loan repayment before applying any balance remaining as a premium payment.

Monthly Deductions

A deduction is due and will be taken from the Policy Value as of the Policy Date and as of each applicable Monthly Calculation Date. Monthly Deductions are calculated from the Policy Date. If, at your request, we set the Policy Date to a date which precedes the date on which we receive the initial premium, Monthly Deductions due for the period prior to receipt of the initial premium will be taken on the later of the date we receive the initial premium and the date our underwriters approve issuance of this policy.

Monthly Deductions are due until the Age 100 Anniversary, at which time we will cease to take any further Monthly Deductions as described in Section 8.

The Monthly Deduction for any Policy Month that will be deducted from your Policy Value consists of charges (a) through (e) listed below, each of which will be deducted in the order as listed, where:

- (a) is the Issue Charge;
- (b) is the Service Charge;
- (c) is the sum of the charges for riders which are part of the policy, if any,;
- (d) is the sum of all charges for any applicable Additional Ratings shown in Section 1; and
- (e) is the Cost of Insurance Charge, as described below.

Cost of Insurance Charge

The rates for the Cost of Insurance Charge as of the Policy Date are based on the sex, if applicable, Age, Risk Classification, Basic Face Amount, Supplemental Face Amount, Net Amount at Risk, and duration that the coverage has been in force for the Insured.

The Cost of Insurance Charge for a specific Policy Month is the charge for the Net Amount at Risk. The charge for the Net Amount at Risk is an amount equal to the per dollar cost of insurance rate for that month multiplied by the Net Amount at Risk, and such rates will be based on our expectations of future mortality, persistency, investment earnings, expense experience, capital and reserve requirements, and tax assumptions. The Maximum Monthly Rates at any Age are shown in Section 2 as a rate per \$1,000 of Net Amount at Risk. To get the maximum rate per dollar, the rate shown must be divided by 1,000. Each Cost of Insurance Charge is deducted in advance of the applicable insurance coverage for which we are at risk.

The Cost of Insurance calculation will reflect any adjustment for the Minimum Death Benefit.

We review our Cost of Insurance rates periodically, and may re-determine Cost of Insurance rates at such time on a basis that does not discriminate unfairly within any class of insureds. Any change in rates will be determined prospectively. We will not distribute past gains or recoup prior losses, if any, by changing the rates.

Net Amount at Risk

The Net Amount at Risk is the amount determined by subtracting (a) from the greater of (b) or (c) where:

- (a) is the Policy Value at the end of the immediately preceding business day less all charges due on the Monthly Calculation Date;
- (b) (i) is the Total Face Amount divided by the applicable Monthly Factor shown in the footnote in Section 2 for Death Benefit Option A; or (ii) is the Total Face Amount divided by the applicable Monthly Factor shown in the footnote in Section 2 plus the Policy Value for Death Benefit Option B; and
- (c) is the amount defined in (a) multiplied by the applicable Minimum Death Benefit Percentage shown in Section 2.

Interest Rate

We will determine the credited interest rate(s) used in the calculation of the Policy Value, based on our anticipation of future investment earnings, mortality, persistency, expense and administrative costs, and taxes. We may, in our sole discretion, change the interest rate(s). Changes in the rate(s) will apply to all policies in the same Risk Classifications. The effective annual interest rate will never be less than the Guaranteed Minimum Interest Rate shown in Section 1. Any interest credited in excess of that computed based upon the Guaranteed Minimum Interest Rate is referred to as "excess interest."

We may credit different interest rates on loaned and unloaned portions of the Policy Value. The rate(s) in effect on a given date for unloaned amounts is referred to as the "current interest rate(s)." The rate in effect on a given date for loaned amounts will be no less than the Policy Loan Interest Rate less 2% nor greater than the Policy Loan Interest Rate. We may credit interest on loaned Policy Value for Preferred Loans at a different rate than the rate credited on loaned Policy Value for non-Preferred Loans. All interest rates are stated as effective annual rates. Interest will be compounded at least monthly to yield the effective annual rate.

Interest Bonus

On each Monthly Calculation Date beginning on the Interest Bonus Start Date, (shown in Section 1), in addition to interest being credited under the policy, we will also credit an Interest Bonus on amounts in excess of the Policy Value Benchmark Amount, defined as follows.

The Policy Value Benchmark Amount is equal to the Policy Value Benchmark Percentage (shown in Section 1) multiplied by the sum of the Total Face Amount at issue and the insurance amount then in effect on any applicable riders attached to this policy.

The bonus equals the monthly equivalent of the Bonus Interest Rate, as specified in the table below, multiplied by the amount that (a) exceeds (b), where:

- (a) = the lesser of the unloaned portion of the Policy Value and the Total Face Amount, and
- (b) = Policy Value Benchmark Amount.

<u>Effective Annual Rate on unloaned Policy Value</u>	<u>Bonus Interest Rate</u>
At least 4.5%	1.00%
At least 4.25% but less than 4.50%	.50%
Less than 4.25%	0%

SECTION 10: Premiums

No insurance under this policy will take effect until our underwriters approve issuance of this policy and the conditions specified in the application form have been satisfied, including our receipt of at least the Minimum Initial Premium.

We will process any premium payment subject to the limitations of the life insurance qualification test elected by you, unless one of the following exceptions applies:

- (i) we will process a payment received prior to the Policy Date as if received on the Policy Date.
- (ii) we will process the portion of any premium payment for which we require evidence of the Insured's continued insurability on the first business day after we have received such evidence and found it satisfactory to us.

If however, our receipt of any premium payment (or portion thereof) would cause the policy to not qualify as a "life insurance contract" under the federal income tax laws, we will not process such payment (or portion thereof). In addition in the case of certain other situations that could have tax implications, we will process the payment (or portion thereof) on the first business day after we have received satisfactory written instructions from you.

Subject to these limitations, you may pay additional premiums at any time prior to the Age 100 Anniversary and while this policy is in force. Unless we agree otherwise, maximum premium payments are subject to the Maximum Annual Premium shown in Section 1. If, however, you have exercised Overloan Protection, no further premiums may be paid once Overloan Protection goes into effect. All premiums are payable at our Main Administrative Office or to an authorized agent. You may request a receipt signed by one of our executive officers.

If any premium payment results in an increase in the Death Benefit by more than it would increase the Policy Value, then we will either refund the premium or require evidence of insurability satisfactory to us. To the extent of such evidence, the Incontestability and Suicide Exclusion provisions will apply. We may limit the number and amount of premium payments in any Policy Year. The minimum premium payment that we will accept is \$25.

SECTION 11: Grace Period

During the first 5 Policy Years - If the Total Cumulative Premium Test is satisfied, as described in Section 7, then the Basic Face Amount, any Supplemental Face Amount, and any rider benefits will remain in effect during the Guaranteed Death Benefit Period. If, however, the Total Cumulative Premium Test is not satisfied, then this policy and any riders will go into default if, on any Monthly Calculation Date, the required Monthly Deductions exceed the Net Policy Value. A grace period of 61 days from the date the policy goes into default will be allowed for the payment of additional premiums. Such additional premium payments must be sufficient to increase the Net Policy Value on that Monthly Calculation Date to cover three Monthly Deductions or, if less, the amount necessary to pass the Total Cumulative Premium Test for the next three Policy Months.

During Policy Years 6 through 9 - This policy and any riders will go into default if, on any Monthly Calculation Date, the required Monthly Deductions exceed the Net Policy Value. A grace period of 61 days from the date the policy goes into default will be allowed for the payment of additional premiums. Such additional premium payments must be sufficient to increase the Net Policy Value on that Monthly Calculation Date to cover three Monthly Deductions.

After the 9th Policy Year - This policy and any riders will go into default if, on any Monthly Calculation Date, the required Monthly Deductions exceed the Net Surrender Value. A grace period of 61 days from the date the policy goes into default will be allowed for the payment of additional premiums. Such additional premium payments must be sufficient to increase the Net Surrender Value on that Monthly Calculation Date to cover three Monthly Deductions.

At least 30 days prior to termination of coverage, we will send notice to your last known address, specifying the amount you must pay to bring the policy out of default. If we have notice of a policy assignment on file at our Main Administrative Office, we will also mail a copy of the notice of the amount due to the assignee on record. When payment is received, any Policy Charges which are past due and unpaid will be immediately deducted from the Policy Value. If the necessary additional premium payments have not been received by the end of the grace period, the policy will terminate. Upon termination of the policy, the remaining Net Surrender Value, if any, will be paid to the Owner. If the Insured dies while the policy is in default, then we will deduct from the proceeds all Monthly Deductions due and unpaid as of the date of the Insured's death. Unless a rider provides otherwise, no riders will be in effect after the policy terminates.

SECTION 12: Policy Termination

This policy will terminate automatically on the earliest of:

- (1) the date the Insured dies;
- (2) the date the grace period expires without the payment of sufficient premium as provided in Section 11; or
- (3) the date the policy is surrendered for its Net Surrender Value.

SECTION 13: Reinstatement

If this policy terminates in accordance with the Grace Period provision, you may reinstate this policy while the Insured is alive within five years from the date the policy goes into default, as specified in Section 11. The policy cannot be reinstated if it has been surrendered for its Net Surrender Value. It also cannot be reinstated if the date of reinstatement is on or after the Age 100 Anniversary. We will not approve a request for reinstatement until we receive at our Main Administrative Office all of the following:

- (1) a written request for reinstatement;
- (2) evidence of insurability satisfactory to us;
- (3) payment or reinstatement of any Policy Debt as of the date of termination, if applicable; and
- (4) payment of the Reinstatement Premium. The Reinstatement Premium equals the amount that was required to bring the policy out of default immediately prior to termination, plus three Monthly Deductions.

Requirements (2) through (4) must be satisfied within 60 days after the date we receive a written request for reinstatement.

If we approve your request,

- (1) the reinstatement date will be the date we receive the required payment at our Main Administrative Office;
- (2) any Surrender Charge will be reinstated to the amount it was at the date of default;
- (3) the remaining Surrender Charge Schedule, if any, will be the same as on the date of default;
- (4) the Policy Value on the date of reinstatement, prior to the crediting of any Net Premium paid on the reinstatement, will be equal to the Policy Value on the date the policy terminated.

SECTION 14: Loans and Overloan Protection

While this policy is in force, and sufficient loan value is available, a loan may be obtained by written request. Each loan must be for at least the Minimum Loan Amount shown in Section 1. A loan may not be taken after you have exercised Overloan Protection. To obtain a loan, we may require a loan agreement from you, since the policy is the only security for the loan. We may defer loans as provided by law or as provided in Section 25. Loans may not be made if the policy is in the grace period as described in Section 11.

Maximum Loan Value

The Maximum Loan Value on the Policy Date is equal to 75% of the premiums received. Thereafter, the Maximum Loan Value on any date is equal to the lesser of (a) or (b), where:

- (a) = the Policy Value, projected (with interest and monthly charges) to the next Policy Anniversary, less any applicable Surrender Charge, discounted for interest at the policy loan interest rate; and
- (b) = the current Surrender Value of this policy.

The Maximum Loan Value, however, will not be less than the Preferred Loan Amount plus accrued interest on such amount, but in no event greater than the current Policy Value.

Available Loan Value

The available loan value on any date is an amount equal to the Maximum Loan Value less Policy Debt.

Loan Interest Charged

Loan interest will accrue on a daily basis from the date of the loan, and is payable in arrears.

Loans will bear interest at a rate not to exceed the Policy Loan Interest Rate shown in Section 1. Loan interest will be payable on each Policy Anniversary and on the date the loan is settled. In the event that you do not pay the loan interest charged in a Policy Year, such amount will be added to the Policy Debt on the Policy Anniversary. The portion of the loan interest attributable to the Preferred Loan Amount will be reflected as an increase to the Preferred Loan Amount on the Policy Anniversary.

Loan Repayment

You may repay the Policy Debt in whole or in part at any time prior to the death of the Insured and while the policy is in force. Subject to any rider, endorsement, or other provisions, while a loan exists, we will treat any amounts you pay as premiums, unless you request in writing that they be treated as loan repayments.

Overloan Protection

You have the option of exercising Overloan Protection, in writing, when the following conditions exist on the Monthly Calculation Date:

1. the Policy Debt exceeds the specified Total Face Amount;
2. the Policy Debt is equal to 96% of the Policy Value;
3. the Insured is at least 65 years of Age;
4. this policy has been in force for at least 15 Policy Years; and
5. the Guideline Premium Life Insurance Qualification Test is in effect.

If the loan balance is in excess of 96% of the Policy Value, the portion of the loan balance that exceeds 96% of the Policy Value must be repaid at the time that such Overloan Protection is exercised. Overloan Protection will be effective on the Monthly Calculation Date following your written request. Once in effect, Overloan Protection will keep your policy in force and the following changes will automatically take effect.

1. Any riders then in effect will terminate.
2. The Death Benefit Option will be permanently set to Death Benefit Option A.
3. The Total Face Amount then in effect will be reduced to 101% of the Policy Value.
4. The death benefit will equal the greater of (a) and (b), where:
 - (a) = the new Total Face Amount, and
 - (b) = the applicable Minimum Death Benefit Percentage shown in Section 2, multiplied by the greater of (i) and (ii), where:
 - (i) = the Policy Value, and
 - (ii) = the Policy Debt.
5. No further premium payments will be accepted.
6. No further withdrawals will be allowed.
7. No further monthly deductions will be assessed.
8. No additional loans or loan repayments will be allowed.

Any loan balance will reduce the death benefit payable. Loan interest will continue to accrue on this policy.

Once you have exercised Overloan Protection, a one-time Overloan Transaction Charge, as shown in Section 1, will be assessed. There is no additional charge for this benefit or for any of the automatic changes that occur pursuant to your election of this benefit.

SECTION 15: Surrenders and Withdrawals

Surrender of the Policy

You may surrender this policy upon written request for its Net Surrender Value at any time prior to the death of the Insured. We will determine the Net Surrender Value as of the end of the business day on which we have received at our Main Administrative Office your written request for surrender of the policy. After we receive your written request to surrender the policy, no insurance will be in force.

Withdrawals

Once per Policy Month while the Insured is living, you may request a withdrawal of part of the Net Surrender Value, if available. A withdrawal will not be permitted after you have exercised Overloan Protection. An amount equal to the withdrawal and its related pro-rata Surrender Charge, shown in Section 1, will be deducted from the Policy Value, if such withdrawal occurs during the Withdrawal Charge Period shown in Section 1. Withdrawals are subject to the following conditions:

- (a) each withdrawal must be for at least the Minimum Withdrawal Amount shown in Section 1;
- (b) after the withdrawal, the remaining Net Surrender Value must be greater than zero;
- (c) a withdrawal will not be permitted which would reduce the Basic Face Amount below the Minimum Face Amount shown in Section 1.

We will process the withdrawal, thereby reducing the Policy Value, as of the end of the business day on which we receive your written request.

If Death Benefit Option A is in effect on the date of the withdrawal, such withdrawal will reduce, dollar for dollar, the Supplemental Face Amount first, and then the Basic Face Amount. If, however, the Death Benefit in effect on the date of the withdrawal is equal to the Minimum Death Benefit, withdrawals on such day will first reduce the Death Benefit by the amount withdrawn multiplied by the applicable Minimum Death Benefit Percentage until the Death Benefit is equal to the Total Face Amount. Such excess withdrawal amount will then reduce, dollar for dollar, the Supplemental Face Amount first, and then the Basic Face Amount. Your Death Benefit will continue to be determined in accordance with Sections 6 and 8 based upon the revised Total Face Amount of coverage.

If Death Benefit Option B is in effect at the time of the withdrawal, the amount of the withdrawal will be deducted from the Policy Value. The Total Face Amount does not change.

Any benefits provided are not less than that required by law of the state where this policy was delivered. We may defer payment of surrender values as provided by law or as provided in Section 25.

SECTION 16: Basis of Computations

All of the values under this policy are equal to or more than the minimums required on the Policy Date by the state in which this policy was delivered or issued for delivery. The method of computation of the values under this policy has been filed as may be required with the Insurance Department of the state in which this policy was delivered or issued for delivery.

SECTION 17: Owner(s) and Beneficiary(ies)

The Insured is the owner of this policy, unless otherwise provided in the application or if ownership is changed by later transfer of ownership. If, however, you are offered consideration by a third party to transfer ownership of your policy or any interest in your policy including a collateral or absolute assignment to such third party, no transfer of ownership shall take effect unless we or one of our affiliated companies first have the right to also offer consideration for your policy. We will require information satisfactory to us that is necessary for us to determine the amount of such consideration we will offer for your policy.

While the Insured is living, the owner may exercise all rights provided by this policy or allowed by us. Consent of any beneficiary not irrevocably named or any contingent owner is not required. If there is no surviving Beneficiary upon the death of the Insured, you will be the Beneficiary, but if you were the Insured, your estate will be the Beneficiary.

Any death proceeds that become payable will be paid in equal shares to such beneficiaries living at the death of the Insured as stated in the application or as later changed. Payments will be made successively in the following order:

- (a) Primary beneficiaries;
- (b) Contingent beneficiaries, if any, provided no primary beneficiary is living at the death of the Insured;
- (c) you or your executor or administrator, provided no primary or contingent beneficiary is living at the death of your insured, or in the absence of a beneficiary designation.

Unless otherwise stated, the relationship of a beneficiary is the relationship to the Insured. You may change the beneficiary by written notice filed with us at our Main Administrative Office. When we receive it, the change will take effect as of the date it was signed by you. However, the change will be subject to any payments made or actions taken by us before we received the notice at our Main Administrative Office.

SECTION 18: Assignment

Except as otherwise provided in this policy, you may, by written notice, assign any interest in this policy without the consent of any person other than an irrevocable Beneficiary. The assignment or a certified copy of it must be filed with us at our Main Administrative Office. When filed, it will bind us as of the date of the assignment, subject to any action taken by us before such filing. We shall not be responsible for the validity or sufficiency of any assignment. The interest of the assignee shall be prior to the interest of any beneficiary not irrevocably named or any contingent owner. An assignee cannot change the beneficiary, owner, or contingent owner.

SECTION 19: Misstatements

If the age or sex of the Insured has been misstated, we will adjust the Basic Face Amount, any Supplemental Face Amount, and every other benefit to that which would have been purchased at the correct age or sex by the most recent Cost of Insurance charge deducted under Section 9.

SECTION 20: Suicide Exclusion

If the Insured, whether sane or insane, dies by suicide within two years from the Issue Date, (or within two years from any reinstatement of the policy) and while the policy is in force, our liability shall be limited to an amount equal to the premiums paid on this policy less any Policy Debt owed us and less any withdrawals.

SECTION 21: Incontestability

This policy shall be incontestable after it has been in force during the Insured's lifetime for two years from the Issue Date, except for fraud, or any provision for reinstatement or policy change requiring evidence of insurability. In the case of reinstatement or any policy change requiring evidence of insurability, the incontestable period shall be two years from the effective date of such reinstatement or policy change. Any premium payment which we accept subject to insurability, and any increase in the Death Benefit resulting from such payment, shall be considered a policy change for purposes of this Section.

While insurance is contestable, we may either rescind the insurance or deny a claim on the basis of:

1. a misstatement in the application or supplemental application for this policy or any face amount increase; or
2. a misstatement in the reinstatement application if there has been a reinstatement of this policy.

If we contest the validity of all or a portion of the face amount provided under this policy, the amount we pay with respect to the contested amount will be limited to the higher of a return of any paid premium required by us for the contested face amount or the sum of any Monthly Deductions made under this policy for the contested face amount.

SECTION 22: The Entire Contract

The written application for the policy is attached at issue. This policy, including the Schedule Pages (and any supplements or changes thereto), any riders, amendments, or endorsements to it, and the application for it (and any supplemental applications) constitute the entire contract between you and us. However, additional written requests or applications for policy changes or acceptance of excess payment may be submitted to us after issue and such additional requests may become part of the policy.

We rely on all statements made by or for the Insured in the written application. Each statement made in an application will, in the absence of fraud, be deemed a representation and not a warranty. No statement will be used to void this policy or in defense of a claim under this policy unless:

1. it is contained in the application or in a supplemental application; and
2. a copy of that application is attached to this policy when issued or made a part of this policy when changes become effective.

Any change in the provisions of the policy, including modifying the policy, waiving any of its conditions, or making an agreement for the Company, to be in effect, must be in writing and signed by one of our executive officers and countersigned by our registrar or one of our executive officers. We have the right to correct any clerical errors in this policy, or in our administration of the policy.

SECTION 23: Annual Statement

Within 30 days after each Policy Anniversary, we will send you, without charge, a report for each Policy Year which includes:

1. the current Policy Value, Death Benefit, Total Face Amount and Surrender Value;
2. any withdrawals, premiums paid, interest credited and charges made during the year;
3. any outstanding loans and new loans and loan repayments made during the year; and
4. any other information required by the insurance supervisory official of the state in which this policy was delivered.

You have the right to request an illustrative report at any other time. We may charge a reasonable fee, not to exceed \$25, for the report.

We will provide you, on written request, a projection of illustrative future benefits and values under your policy. We will provide one report annually without charge. For additional reports you request, we have the right to charge a reasonable service fee, not to exceed \$50. We may limit the number of such projections in any Policy Year.

SECTION 24: Claims of Creditors

The proceeds and any income payments under this policy shall not be subject to the claims of creditors and shall be exempt from legal process, levy or attachment to the extent allowed by law. These proceeds and payments may not be assigned or withdrawn before becoming payable without our agreement.

SECTION 25: Right to Defer Payment of Benefits

We reserve the right to defer payment of Net Surrender Values, withdrawals, and policy loans, for up to six months, except when used to make a premium payment.

Life Plan Options Rider

This rider is part of the policy to which it is attached. Except as stated in this rider, it is subject to all of the provisions contained in the policy.

DEFINITIONS

Option Review Period

The 90-day period immediately preceding the 5th, 10th and 15th Policy Anniversaries.

Individual Term Life Rider

As used in this rider form "Individual Term Life Rider" refers to any of the following riders: Individual Term Rider, Individual Term Insurance Rider, Policy Term Rider, Policy Term Insurance Rider, Phoenix Individual Edge Term Rider, or the Variable Policy Term Rider.

OPTION BENEFITS

Increased Coverage Determination without Medical Exam

Policies that include both this rider and the Individual Term Life Rider are eligible during each Option Review Period, while both such riders are in effect, for an increase in their term insurance rider amount up to a maximum lifetime increase of \$1,000,000, with underwriting and our agreement to such increase determined without the inconvenience of an additional medical exam. Our other ordinary underwriting rules will continue to apply and thus the increase in coverage is still subject to our normal underwriting approval.

Other conditions that apply to this option are as follows:

- The basic policy face amount must be at least \$1,000,000 at original issue of the basic policy.
- The insured must be attained age 65 or younger on the last day of the Option Review Period.
- The risk classification of the insured must be standard through Table D (200%) at original issue of the basic policy.
- The insured must be alive and meet our underwriting requirements at the time of your request for the increase in term rider face amount.
- The Individual Term Life Rider must either already be attached to the policy or then currently approved and available for sale in the state of applicable jurisdiction.
- There is a maximum lifetime increase of \$1,000,000 per insured life.

Reduced Coverage without Surrender Charge

During each Option Review Period you may request a decrease in the face amount of the policy without our assessment of the partial surrender charge that, under the terms of your basic policy, would otherwise apply. In such case the surrender charge remaining under the policy will continue to be calculated as if such decrease in face amount had not been made.

Other conditions that apply to this option are as follows:

- The basic policy face amount must be at least \$1,000,000 at original issue of the basic policy.
- Total option reductions of the basic policy face amount may not exceed the lesser of 50% of the initial basic policy face amount or \$5,000,000 in combined aggregate of all option reductions for all Our policies on the same insured.

Exchange for Annuity without Surrender Charge

During each Option Review Period beginning with the 90-day period preceding the 10th policy anniversary, you may request that the policy be surrendered as part of an exchange request to an eligible annuity offered by us. In such an exchange, we would not assess the surrender charge that would otherwise apply. In such case, the new annuity will reflect the usual surrender charges that would ordinarily apply for new business.

Other conditions that apply to this option are as follows:

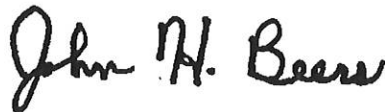
- The basic policy face amount must be at least \$1,000,000 at original issue of the basic policy.

TERMINATION OF THIS RIDER

This rider will terminate on the first of any of the following events to occur:

1. exercise of the Exchange for Annuity without Surrender Charge Option;
2. the 15th policy anniversary;
3. termination of the basic policy.

PHL Variable Insurance Company

A handwritten signature in black ink that reads "John H. Beers". The signature is written in a cursive style with a large, stylized "J" and "B".

Secretary

Final Steps to Make Your Policy Effective

In order to place your policy in force, you must:

1. Review, complete and mail to Phoenix the Policy Acceptance Form in this section
2. Send Phoenix any premiums still due

Checklist for Policy Acceptance Form

As you fill out the form, make sure it includes:

- Date signed
- State where the contract was signed
- Signature of the insured
- Signature of the owner
(if different from the insured)
- Witness signature

Final Step

Detach the white copy of the form and mail it back to Phoenix in the enclosed, self-addressed envelope.



PHOENIX

P.O. Box 8027
Boston, MA 02266-8027
Underwriting Service Center

30-Dan Road, Suite 8027
Canton, MA 02021-2809
For Overnight Delivery

Policy Acceptance Form

Company is defined as indicated below:

- ☐ Phoenix Life and Annuity Company
☒ PHL Variable Insurance Company

Agency: E0300

Insured(s):
JOHN D BETRES

Policy Number:
97523084

DECLARATION:

The insured(s) declares that the statements made in the application remain full, complete, and true as of this date; that since the date of the application, no insured has applied to any insurance company or society without receiving the exact policy applied for or had any symptoms, diseases or disorders for which advice has been sought.

All insured(s) must attest to the above declaration. If any insured cannot attest to the above statement, please so indicate by checking the box next to that insured's signature below and complete a Health Statement Form for that insured. **PLEASE NOTE: Home Office approval of the Health Statement Form is necessary before the policy is in effect.**

AMENDMENTS: The application for Policy No. 97523084 is amended as follows:

Base policy is rated. Premiums are payable as shown on the schedule page of this policy.

The subsequent planned annual premium is \$332,000.

The first year anticipated annual premium is \$340,220.

There is no coverage under application #OL4250 dated 07/16/2007.

The face amount of the base policy is decreased to \$6,000,000.

Applicant uses tobacco in the form of 3 cigars per week.

ENDORSEMENTS:

Delivery expiry is 11/30/2007 on policy 97523084.

It is agreed that the above declaration and amendments are part of the application and shall be part of the policy.

DELIVERY RECEIPT: To be completed when policy is delivered. If a Health Statement Form is required, please consult with your agent before completing this section.

This certifies that as the policy owner, (check ONE only):

- ☐ I have received delivery of the insurance policy listed above, which includes a Statement of Policy Cost and Benefit Information.
- ☐ I have received delivery of the insurance policy listed above, which includes a Statement of Policy Cost and Benefit Information, and authorize _____ to hold such policy on my behalf.

Date

Signed at

Witness

Owner

Owner

(If other than Insured)

Insured(s)

If owner is a firm or corporation, please give the name of the firm or corporation and the title of the officer signing for the firm or corporation.

AGENT: ORIGINAL to Underwriting and Issue, YELLOW copy to Agent, PINK copy to remain with policy.

**PHOENIX**PO Box 8027
Boston MA 02266-8027For Overnight Delivery
PHL Variable Insurance Company
30 Dan Road, Suite 8027
Canton MA 02021-2809**Application for Life Insurance
Part I**

Company is defined as indicated below: (check one)

☐ Phoenix Life Insurance Company ☒ PHL Variable Insurance Company**Section I - Proposed Insured Information**

Name (First, Middle, Last) John D Betres			Sex <input checked="" type="checkbox"/> M <input type="checkbox"/> F	Date of Birth (mm/dd/yyyy) [REDACTED]	
Birth State PA	Birth Country USA		U.S. Citizen <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Earned Income \$650,000	Net Worth \$7000,000
Social Security Number [REDACTED]		Driver's License Number [REDACTED]		State PA	Marital Status <input type="checkbox"/> Single <input checked="" type="checkbox"/> Married <input type="checkbox"/> Widowed <input type="checkbox"/> Divorced
Residence Street Address (Include Apt #) [REDACTED]			City New Florence	State PA	ZIP Code 15944
Email Address [REDACTED]			Home Telephone # ()		
Current Employer Hardy & Hayes		Years of Service 20+	Current Occupation Jeweler		
Employer Street Address 301 Grant Street		City Pittsburgh	State PA	ZIP Code 15219	Employer's Telephone # ()
Have you used tobacco or nicotine products in any form in the last 10 years? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
a. If "Yes", check the product(s) used: <input type="checkbox"/> Cigarettes <input type="checkbox"/> Cigars, Pipes, Snuff, Smokeless or Chewing Tobacco, <input type="checkbox"/> Nicotine Patch or Gum					
b. If "Yes", check where appropriate: <input type="checkbox"/> Use Currently <input type="checkbox"/> Date Quit (mm/yyyy)					

Section II - Ownership (Select one, if B or C is elected, complete appropriate sections)

<input type="checkbox"/> A. Insured <input type="checkbox"/> B. Partnership <input checked="" type="checkbox"/> C. Other (If Owner is a Trust, complete Certification of Trust Agreement)					
Owner's Name (First, Middle, Last) John D. Betres		Social Security Number/Tax ID Irrevocable Life Insurance Trust dtd 8/13/07; William M. Burbank, Jr., Trustee	Date of Birth (mm/dd/yyyy) n/a	Relationship to Proposed Insured Trust	
Owner's Street Address (Include Apt #) 718 S. Lambert Drive		City Fullerton	State CA	ZIP Code 92833	Home Telephone # (714) 441-2263
If Owner is a Partnership - list all partners. If there is a general partner, complete Partnership Authorization form.					
Name(s) of All Partner(s) (First, Middle, Last)					
Employer's Street Address		City	State	ZIP Code	
Email Address					

Section III - Beneficiary Designation

Unless otherwise specified, payments will be shared equally by all primary beneficiaries who survive the Proposed Insured or if none, by all contingent beneficiaries who survive the Proposed Insured. Only the Owner has the right to change the beneficiary(ies) unless otherwise stated.

Primary Beneficiary(ies) Name(s) (First, Middle, Last)	Date of Birth (mm/dd/yyyy)	Social Security # or Tax ID# (if available)	Relationship to Proposed Insured	% Share
John D. Betres Irrevocable Life Insurance Trust dtd 8/13/07; William M. Burbank, Jr., Trustee	n/a	Pending	Trust	100%
Contingent Beneficiary(ies) Name(s) (First, Middle, Last)	Date of Birth (mm/dd/yyyy)	Social Security # or Tax ID# (if available)	Relationship to Proposed Insured	% Share

Section IV - Coverage Applied For

Plan of Insurance

PAUL III

Basic Face Amount \$ 750,000

Supplemental Face Amount \$ —

Total Face Amount \$ 750,000

Section V - VARIABLE/UNIVERSAL PLANS of Insurance - Riders and Features

First Year Anticipated, BILLED Premium (Excluding 1035 Exchange, Lump Sum Funds, etc.)

366,616.00

Subsequent Planned Annual Premium

324,000.00

- ☐ Disability Waiver of a Specified Amount
Amount \$ _____
- ☐ Accidental Death Benefit Rider
- ☐ Alternate Surrender Value Rider
- ☐ Life Plan Options Rider
- ☐ Child's Term Rider
- ☐ Family Term Rider
- ☐ Living Benefit Rider
- ☐ Guaranteed Death Benefit Rider
- ☐ Guaranteed Extension Rider
- ☐ Cash Value Accumulation Rider
- ☐ Age 100 + Rider
- ☐ Individual Term Rider \$ _____
- ☐ Increasing Term Rider \$ _____
- ☐ Other _____
- ☐ Other _____
- ☐ Other _____

Death Benefit Option: (check one) If none checked, Option 1 will apply.

- ☒ Option 1 Level Face Amount
- ☐ Option 2 Increasing Face Amount

Face Amount Increase Options:

- ☐ _____ % percentage Increase
- ☐ \$ _____ Fixed Dollar Increase
- ☐ Increase Equal to Premiums Paid

Policy Option: (check one) If none checked, Option A will apply.

- ☐ Policy Option A
- ☐ Policy Option B
- ☐ Policy Option C
- ☐ Guaranteed Minimum Withdrawal Benefit

Life Insurance Qualification Test: (Check One) If none checked, Guideline Premium will apply.

- ☒ Guideline Premium Test
- ☐ Cash Value Accumulation Test

Temporary Money Market Allocation

If the state of issue does not require refund of premium during the Right To Cancel Period, but you prefer to temporarily allocate your premiums to the Money Market subaccount until the end of the Right to Cancel Period, as stated in the policy, indicate: ☐ Yes ☐ No

Telephone/Electronic Authorization

I will receive this privilege automatically. By checking "Yes", I am authorizing and directing the Company to act on telephone or electronic instructions from my licensed agent who can furnish proper identification. The Company will use reasonable procedures to confirm that these instructions are authorized and genuine. As long as these procedures are followed, the Company and its affiliates and their directors, trustees, officers, employees, representatives and/or agents, will be held harmless for any claim, liability, loss or cost. ☒ Yes ☐ No

Electronic Delivery Authorization

By checking "Yes," I am authorizing the Company to provide my statements, prospectuses and other information electronically if available. I understand that I must have Internet access to use this service and there may be access fees charged by the Internet service provider.

☐ Yes ☐ No**Section VI - Suitability**

Do you understand that if you have purchased a Variable Life Policy that the Death Benefit may be variable or fixed under certain conditions and that the Death Benefit and Cash Values under any Variable Policy may increase or decrease in amount or duration based on the investment experience of the underlying subaccounts? ☐ Yes ☐ No

If you are purchasing a Variable Life Policy, do you believe it is suitable to meet your financial objectives? ☐ Yes ☐ No

If I have purchased a Variable Life Policy, I confirm that I have received the prospectus for that policy and its underlying funds.

Illustrations of benefits including death benefits, policy values and cash surrender values are available on request.

Section VI - Mode of Premium Payment

- ☐ Annual
☐ Monthly (Variable Life Insurance only)
☒ Quarterly
☐ PCS (Phoenix Check-O-Matic Service)
☐ Semi-Annual
 Multiple Billing Option - Give # or Details
☐ List Bill ☐ Employee Insurance Counseling Service (EICS) ☐ Salary Allotment ☐ Pension ☐ Money Purchase Pension
☐ Other _____
 Minimum Monthly Check for Each Service - \$25.00

If electing PCS, complete the following:

Existing Policy Number or PCS File Number _____

Authorization Agreement for Preauthorized Payments

I (we) hereby authorize the Company (Note: Company is defined as indicated on page 1 of application) to initiate debit entries to my (our) checking account and the depository named below.

Information for New Account

Attach a void check to furnish encoding details.

If the depositor's name is not imprinted on the check, fill it in here exactly as it appears in the bank records.

Attach Void Check Here

Signature of depositor (if different from owner) _____

Send premium notices to: (in addition to owner)

- ☐ Insured at: ☐ Home Address ☐ Business Address ☐ Other

Name (First, Middle, Last) _____

Street Address _____

City _____

State _____ ZIP Code _____ Relationship to Owner _____

Section VII - Existing Life Insurance

- Yes No
☐ ☒ 1. Are there any life insurance policies or annuity contracts, owned by, or on the life of, the applicant(s) or the insured(s) or the owner(s) or the annuitant?
☐ ☒ 2. With this policy, do you plan to replace (in whole or in part) now or in the future any existing life insurance or annuity contract in force with this policy?
☐ ☒ 3. Do you plan to utilize values from any existing life insurance policy or annuity contract (through loans, surrenders or otherwise) to pay any initial or subsequent premium(s) for this policy?

For all "Yes" answers above, please provide the following information. If no coverage in force, check here ☒

Company	Issue Date (mm/yyyy)	Plan	Amount	Pers/Bus	Replacing
			\$	<input type="checkbox"/> <input type="checkbox"/>	Y N <input type="checkbox"/> <input type="checkbox"/>
			\$	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>
			\$	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>
Total Life Insurance in Force			\$		

Section VIII – Additional Information

Give full details for all "Yes" answers below. If necessary, use an additional piece of paper and please sign it.

<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	1. Is non-recourse premium financing or any other method being utilized to pay premiums in order to facilitate a current or future transfer, assignment or other action with respect to the benefits provided under the policy being applied for?
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	2. Have you ever applied for life, accident, disability or health insurance and been declined, postponed, or been offered a policy differing in plan, amount or premium rate from that applied for? (If "Yes," give date, company and reason). Date (mm/dd/yyyy): _____ Company: _____ Reason: _____
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	3. Are you negotiating for other insurance? (If "Yes," name companies and total amount to be placed in force.) Company(ies) _____ Total Amount to be placed in force: _____
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	4. Do you intend to travel or reside outside of the United States or Canada? (If "Yes," state where, how long and purpose). Location City, Country: _____ Purpose: _____ How Long: (Specify weeks, months, years) _____
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	5. Have you flown during the past 3 years as a pilot, student pilot or crew member or do you plan to do so? (If "Yes," complete Aviation Questionnaire).
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	6. Have you participated in the past 3 years or plan to engage in any extreme sport activities such as motorized vehicle racing, parachute jumping, underwater diving, or any other extreme avocation? (If "Yes," complete Avocation Questionnaire).
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	7. Have you ever been convicted of a felony? (If "Yes," give details) Details: _____
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	8. Have you ever been convicted of driving under the influence of alcohol or drugs, or had your driver's license been suspended or revoked, or had greater than 2 moving violations in the past 3 years? (If "Yes," give details) Details: _____
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	9. Is there an intention that any party, other than the Owner, will obtain any right, title or interest in any policy issued on the life of the Proposed Life Insured(s) as a result of this application?

Section IX – Medical Transfer Statement (Complete when submitting medical examinations of another insurance company.)

I request that Phoenix review and consider the exam conducted by the Life Insurance Company listed below in evaluating my application. I authorize Phoenix to receive and review such application(s), and authorize my producer, broker or other life insurance company to provide such application to Phoenix.

1. Name of the insurance company for which examination(s) was made	Phoenix.
2. Date of examination (mm/dd/yyyy)	7/24/07
3. To the best of your knowledge and belief, are the statements in the examination true, accurate and complete as of today? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "No", please explain.	
4. Have you consulted a medical doctor or other practitioner since the above examination? (If "Yes," complete Section X) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Section X - Medical History (Not necessary to complete if medical or paramedical exam has been ordered)

Current Height		Current Weight		Has your weight changed by 10 pounds or more in the past 2 years? If "yes", how much _____ pounds <input type="checkbox"/> Gain <input type="checkbox"/> Loss			
Family History:		Age If Alive	Age at Death	If alive, indicate health problems or if deceased, indicate cause of death:			
Father <input type="checkbox"/> Alive <input type="checkbox"/> Deceased							
Mother <input type="checkbox"/> Alive <input type="checkbox"/> Deceased							
Personal Physician: Please provide the name and address of your personal physician or health care provider, date of most recent visit, reason for visit, and results of treatment (if any):				Has anyone in your immediate family developed any hereditary condition, cancer, or heart disease before age 60? <input type="checkbox"/> Yes (please provide details below) <input type="checkbox"/> No			

Have you ever had, or been told by a physician or other health care provider that you have:

1. High blood pressure or hypertension? ☐ Yes ☐ No
2. Pain, pressure, or discomfort in the chest, angina pectoris, palpitations, swelling of the ankles, or undue shortness of breath? ☐ Yes ☐ No
3. Heart disease, coronary artery disease, cardiomyopathy, heart failure, atrial fibrillation, heart rhythm abnormality, heart murmur, congenital heart disease or valvular heart disease? ☐ Yes ☐ No
4. Peripheral vascular disease, claudication, narrowing or blockage of arteries or veins? ☐ Yes ☐ No
5. Asthma, pulmonary fibrosis, chronic cough, emphysema, pneumonia, or any other lung disease? ☐ Yes ☐ No
6. Neurologic disease, seizures, fainting, falls, concussion, stroke, transient ischemic attack (TIA), tremor, neuropathy, weakness, paralysis, Parkinson's disease, memory loss, dementia, or any other disease of the brain or nervous system? ☐ Yes ☐ No
7. Depression, bipolar disorder, schizophrenia, anxiety, or other psychiatric illness? ☐ Yes ☐ No
8. Arthritis, lupus, or any musculoskeletal or skin disorder? ☐ Yes ☐ No
9. Ulcers, abdominal pain, colitis, Crohn's disease, gall bladder disease, liver disease, hepatitis, jaundice, pancreatitis, or any other disease of the gastrointestinal system? ☐ Yes ☐ No
10. Diabetes, kidney disease, kidney stones, bladder disorder, prostate disorder, protein or blood in the urine? ☐ Yes ☐ No
11. Endocrine disorder, including disorder of the thyroid, parathyroid, adrenal, or pituitary glands? ☐ Yes ☐ No
12. Anemia, bleeding or clotting disorder, or any other disorder of the blood (excluding Human Immunodeficiency Virus) or bone marrow? ☐ Yes ☐ No
13. Cancer of any type, tumor (benign or malignant), leukemia, lymphoma, or Hodgkin's disease? ☐ Yes ☐ No
14. Are you taking any kind of medicine, therapy, or treatment regularly or at frequent intervals? ☐ Yes ☐ No
15. Have you ever been treated for alcoholism or been advised to limit or stop your use of alcohol? ☐ Yes ☐ No
16. Have you ever used narcotics, barbiturates, amphetamines, hallucinogens, or any prescription drug except in accordance with a physician's instructions? ☐ Yes ☐ No
17. Have you ever been a patient in any hospital, treatment center, or similar facility within the last 10 years? ☐ Yes ☐ No
18. Have you had, or been advised to have, any surgery, X-rays, electrocardiograms, blood studies (excluding Human Immunodeficiency Virus or Acquired Immune Deficiency Syndrome test), or other tests within the last 5 years? ☐ Yes ☐ No
19. Other than above, have you had any other physical or psychological disorder or been treated by a physician or other health care provider for any reason within the past 5 years? ☐ Yes ☐ No

Please provide details of "Yes" answers (include question number, diagnosis, date of occurrence, current status, hospital or treating physician's name and address). Use Application Part II Addendum if additional space is necessary to record all details.

Phoenix reserves the right to require additional medical information, medical examination or testing to complete the underwriting process.

Section XI - Authorization To Obtain Information

I authorize any licensed physician, health care practitioner, hospital, medical laboratory, clinic or other medically-related facility, insurance company or the Medical Information Bureau (MIB), having any records or knowledge of me or my health, to provide any such information to Phoenix Life Insurance Company (Phoenix), its affiliated insurers or its reinsurers. The information requested may include information regarding diagnosis and treatment of physical or mental condition, including consultations occurring after the date this authorization is signed. I authorize any of the above sources to release to Phoenix or its reinsurers any of my information relating to alcohol use, drug use and mental health care.

Medical information will be used only for the purpose of risk evaluation and determining eligibility for benefits under any policies issued. Phoenix may disclose information it has obtained to others as permitted or required by law, including the MIB, our reinsurers and other persons or entities performing business or legal services in connection with this application, any contract issued pursuant to it or in connection with the determination of eligibility for benefits under an existing policy. Information that is not personally identifiable may be used for insurance statistical studies.

To facilitate rapid submission of information, I authorize all of the above sources, except MIB, to give such records or knowledge to any agency employed by Phoenix to collect and transmit such information.

I authorize consumer reporting agencies, insurance companies, motor vehicle departments, my attorneys, accountants and business associates and the MIB to provide any information to Phoenix or its reinsurers that may affect my insurability. This may include information about my occupation, participation in hazardous activities, motor vehicle record, foreign travel, finances, and other insurance coverage in place.

I acknowledge that I have received a copy of the Notice of Information Practices, including information about Investigative Consumer Reports and the Medical Information Bureau. I authorize the preparation of an investigative consumer report. I understand that upon written request, I am entitled to receive a copy of the investigative consumer report.

This authorization shall continue to be valid for 30 months (24 months in Colorado, Iowa, Kansas, Kentucky and Oklahoma) from the date it is signed unless otherwise required by law. A photocopy of this signed authorization shall be as valid as the original. This authorization may be revoked by writing to Phoenix prior to the time the insurance coverage has been placed in force. I understand my authorized representative or I may receive a copy of this authorization on request.

☐ I do ☒ I do not (check one) require that I be interviewed in connection with any investigative consumer report that may be prepared.

Section XII - Signature

I have reviewed this application, and the statements made herein are those of the proposed insured and all such statements made by the proposed insured in Part I or and in Part II of this application are full, complete, and true to the best knowledge and belief of the undersigned and have been correctly recorded.

I understand that 1) no statement made to, or information acquired by any Licensed Producer who takes this application, shall bind the Company unless stated in Part I and/or Part II of this application, (not applicable in ND and SD) and 2) the Licensed Producer has no authority to make, modify, alter or discharge any contract thereby applied for.

I understand and agree that the insurance applied for shall not take effect unless and until each of the following has occurred: 1) the policy has been issued by the Company; 2) the premium required for issuance of the policy has been paid in full during the lifetime of the insured; 3) all the representations made in the application remain true, complete and accurate as of the latest of such dates; 4) the insured is alive when the policy is issued, and 5) there has been no change in the health of any proposed insured that would change the answers to any of the questions in the application.

I understand that if there is any change in my health or physical condition, or if I visit a physician or am hospitalized, subsequent to the date I complete the application or provide any information to be contained in the application, I will inform the Company as soon as possible.

Under penalty of perjury, I confirm that 1) the Social Security or Tax Identification Number shown is correct, and 2) that I am not subject to back-up withholding. If I have applied for the Living Benefit Rider, I confirm that I have received a copy of the disclosure form, Summary of Coverage for Accelerated Benefit Rider.

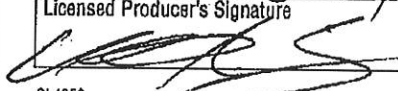
Proposed Insured's Signature 	State Signed In CA	Witness Signature (Must be signed in presence of Proposed Insured) 	Date (mm/dd/yyyy) 8/15/07
Owner's Signature (If other than Proposed Insured) 	State Signed In CA	Witness Signature (Must be signed in presence of Owner) 	Date (mm/dd/yyyy) 8/15/07
Parent's Signature (for minor insured)	State Signed In	Witness Signature (Must be signed in presence of Owner)	Date (mm/dd/yyyy)

Any person who, with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement may be guilty of insurance fraud as determined by a court of competent jurisdiction. (Not applicable in AR, DC, FL, LA, ME, MA, NJ, NM, NY, OH, OR, PA, TX, VA). In AR and LA any person who knowingly presents a false or fraudulent claim for payments of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

In DC, WARNING: IT IS A CRIME TO PROVIDE FALSE OR MISLEADING INFORMATION TO AN INSURER FOR THE PURPOSE OF DEFRAUDING THE INSURER OR ANY OTHER PERSON. PENALTIES INCLUDE IMPRISONMENT AND/OR FINES. IN ADDITION, ANY INSURER MAY DENY INSURANCE BENEFITS IF FALSE INFORMATION MATERIALLY RELATED TO A CLAIM WAS PROVIDED BY THE APPLICANT.

In OH, any person who, with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

The Producer hereby confirms he/she has truly and accurately recorded on the application the information supplied by the Proposed Insured; and that he/she is qualified and authorized to discuss the contract herein applied for.

Licensed Producer's Name (Print First, Middle, Last) WALTER A. COLLEY	Licensed Producer's Email Address
Licensed Producer's Signature 	Date (mm/dd/yyyy) 8/15/07
Licensed Producer's I.D. # 316087	Licensed Producer's Telephone # (424) 261-2511



Phoenix Life Insurance Company
100 Bright Meadow Boulevard
PO Box 1900
Enfield CT 06083-1900
Underwriting and Issue

Application Part II

Examination to be made in private. Please read all questions to applicant. Answers to be recorded in the examiner's own handwriting.

NAME OF PROPOSED INSURED		SEX	DATE OF BIRTH	OCCUPATION
JOHN D. BETRES				Consultant
1. Family Record	Age	Health	Age At Death	Cause of Death
Father <u>decd</u>	27	rupture appendix		
Mother <u>decd</u>	70+	unknown		
Brothers & Sisters	3 died 80 / 70+ / unknown			
No. Living	2 / 16 - living / medical / business			
No. Dead	2 / 16 - living / medical / business			
Please Check (✓) Appropriate Yes No				
2. To your knowledge, have any of your parents, brothers or sisters had diabetes?				
3. A. Have you ever been treated for alcoholism or any drug habit? B. Have you ever used narcotics, barbiturates, amphetamines, hallucinogens or any prescription drug except in accordance with a physician's instructions?				
4. Have you sought treatment or consulted a physician for any reason in the last 5 years, including routine examinations or check-ups? (Give full details.)				
5. To the best of your knowledge have you ever had, or been told by any physician or other practitioner that you had: A. High blood pressure? B. Pain, pressure, or discomfort in the chest, palpitation, swelling of the ankles, or undue shortness of breath? C. Heart disease; heart murmur, angina pectoris, or coronar disease? D. Rheumatic fever, chorea, rheumatism, or arthritis? E. Pneumonia, pleurisy, asthma, tuberculosis, chronic cough, or any other disease of the lungs? F. Epilepsy, fainting spells, concussion, skull fracture, severe headaches, dizziness, mental disorder or nervous breakdown? G. Indigestion, stomach or duodenal ulcer, colitis, or other disease of the intestines or rectum, gall bladder disorder, jaundice, hepatitis, or liver disorder? H. Kidney disease, nephritis, kidney stone, bladder trouble or albumin, sugar, pus, or blood in the urine? I. Disease of the reproductive organs, prostate trouble, abnormal menstruation, complicated pregnancies or disease of the breasts? J. Diabetes, venereal disease, gout, thyroid disease, enlarged glands, tumor, polyp, cancer or skin disease? K. Disease or disorder of blood or blood formation? L. Acquired immune deficiency syndrome (AIDS), AIDS-related complex (ARC), or any other immunological disease or disorder? M. Paralysis, deformity, or any injury or disorder of the muscles, bones, joints, spine or back? N. Other than above, any physical or mental disorder, operation, or injury within the past 5 years?				
6. NAME OF PERSONAL PHYSICIAN (IF NONE, SO STATE) Terrence Starg MD ADDRESS Fifth Ave Pq 60-15213 42 682 2434 DATE LAST SEEN, REASON AND OUTCOME / inspection - annual exam. No new symptoms.				
7. A. Have you ever had a surgical operation or been a patient in any hospital, sanatorium, or similar institution? YES NO B. Have you had, or been advised to have, any surgical operations, X-rays, electrocardiograms, blood studies, or other tests within the last 5 years? C. Has a physician ever advised you to diet? D. Is there any kind of medicine which you take regularly or at frequent intervals?				
8. Have you ever applied for or received sickness or accident benefits or a disability pension from any source?				
9. A. Have you ever been declined, postponed, rated, or ridered for insurance? B. Are you negotiating for other insurance? (If "yes" name companies and amounts.)				
10. DETAILS of all questions answered "yes." Include Dates, Names, and Addresses of all doctors consulted, Duration, Treatment, and Results. Please indicate question # you are responding to: Question #				

The foregoing statements are full, complete, and true to the best of my knowledge and belief.

DATED AT (City and State) Phoenix, AZ DATE 2/24/07
WITNESS (Examiner) George J. Saville M.D. PROPOSED INSURED (SIGN FULL NAME) John D. Betres
OL121B

With roots dating to 1851, The Phoenix Companies, Inc. helps individuals solve diverse and often highly complex financial and business planning needs with an array of life insurance, annuities and investment products and services reflecting the company's deep insights into the changing wants and needs of the marketplace.

A leader in life insurance, Phoenix has a distinguished record of industry firsts in product design and underwriting — including an innovative holistic approach to underwriting that works with customers as individuals. Our annuity services also go above and beyond the expected, helping customers create retirement income strategies that are right for them with technical analysis of existing contracts, a wide choice of annuities and a variety of protection and income options.



PHOENIX

Where Excellence GrowsSM

**CALIFORNIA LIFE AND HEALTH INSURANCE
GUARANTY ASSOCIATION ACT
SUMMARY DOCUMENT AND DISCLAIMER**

Residents of California who purchase life and health insurance and annuities should know that the insurance companies licensed in this state to write these types of insurance are members of the California Life and Health Insurance Guaranty Association ("CLHIGA"). The purpose of this association is to assure that policyholders will be protected, within limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of insured persons who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided through the Association is not unlimited, as noted in the box below, and is not a substitute for consumers' care in selecting insurers.

The California Life Insurance Guaranty Association may not provide coverage for this policy. If coverage is provided, it may be subject to substantial limitations or exclusions, and require continued residency in California. You should not rely on coverage by the Association in selecting an insurance company or in selecting an insurance policy.

Coverage is NOT provided for your policy or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as a variable contract sold by prospectus.

Insurance companies or their agents are required by law to give or send you this notice. **However, insurance companies and their agents are prohibited by law from using the existence of the Guaranty Association to induce you to purchase any kind of insurance policy.**

Policyholders with additional questions should first contact their insurer or agent or may then contact:

The California Life and Health Insurance
Guaranty Association
P.O. Box 16860
Beverly Hills, CA 90209
(323) 782-0182

or

Consumer Service Division
California Department of Insurance
300 South Spring Street
Los Angeles, CA 90013
(800) 927-4357 or (213) 897-8921

Below is a brief summary of this law's coverages, exclusions and limits. This summary does not cover all provisions of the law; nor does it in any way change anyone's rights or obligations under the Act or the rights or obligations of the Association.

COVERAGE

Generally, individuals will be protected by the California Life and Health Insurance Guaranty Association if they live in this state and hold a life or health insurance contract, or an annuity, or if they are insured under a group insurance contract, issued by a member insurer. The beneficiaries, payees or assignees of insured persons are protected as well, even if they live in another state.

EXCLUSIONS FROM COVERAGE

However, persons holding such policies are not protected by this Guaranty Association if:

- Their insurer was not authorized to do business in this state when it issued the policy or contract.

- Their policy was issued by a health care service plan (HMO), Blue Cross, Blue Shield, a charitable organization, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company, an insurance exchange, or a grants and annuities society.
- They are eligible for protection under the laws of another state. This may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state.

The Guaranty Association also does not provide coverage for:

- Unallocated annuity contracts; that is, contracts which are not issued to and owned by an individual and which guarantee rights to group contract holders, not individuals;
- Employer and association plans, to the extent they are self-funded or uninsured;
- Synthetic guaranteed interest contracts;
- Any policy or portion of a policy which is not guaranteed by the insurer or for which the individual has assumed the risk, such as a variable contract sold by prospectus;
- Any policy of reinsurance unless an assumption certificate was issued;
- Interest rate yields that exceed an average rate; rating credits.

LIMITS ON AMOUNT OF COVERAGE

The Act limits the Association to pay benefits as follows:

LIFE AND ANNUITIES BENEFITS

- 80% of what the life insurance company would owe under a life policy or annuity contract up to \$100,000 in cash surrender values;
- \$100,000 in present value of annuities; or
- \$250,000 in life insurance death benefits;
- A maximum of \$250,000 for any one insured life no matter how many policies and contracts there were with the same company, even if the policies provided different types of coverages.

HEALTH BENEFITS

- A maximum of \$200,000 of the contractual obligations that the health insurance company would owe were it not insolvent. The maximum may increase or decrease annually based upon changes in the health care cost component of the consumer price index.

PREMIUM SURCHARGE

Member insurers are required to recoup assessments paid to the Association by way of a surcharge on premiums charged for health insurance policies to which the Act applies.



PHL VARIABLE INSURANCE COMPANY
One American Row
Hartford, CT 06115

**Disclosure for Universal
Life Policy with No-Lapse
Guarantees**

The policy is guaranteed to stay in force as long as you have paid the required guarantee premiums. This guarantee could be provided by a separate policy (such as term policy). However, the **nonforfeiture benefits (such as cash surrender value) in this policy may be significantly less** valuable than those provided by the separate policy. So, if you fail to pay a premium within a specified period of time from its due date or otherwise cause this policy to terminate early, the benefits paid to you upon termination could be much less than would customarily be paid if provided by the separate policy.

When thinking about purchasing this policy, you should consider the tradeoff you may be making between having significantly smaller nonforfeiture benefits (such as cash surrender value) available to you upon surrender of the policy versus the reduction in premium, if any you may receive for not having these benefits.



PHOENIX

Life Insurance Buyer's Guide

This guide can help you when you shop for life insurance. It discusses how to:

- Find a Policy That Meets Your Needs and Fits Your Budget
- Decide How Much Insurance You Need
- Make Informed Decisions When You Buy a Policy

Prepared by the National Association of Insurance Commissioners

The National Association of Insurance Commissioners is an association of state insurance regulatory officials. This association helps the various Insurance Departments to coordinate insurance laws for the benefit of all consumers.

This Guide Does Not Endorse Any Company or Policy.

Important Things to Consider

1. Review your own insurance needs and circumstances. Choose the kind of policy that has benefits that most closely fit your needs. Ask an agent or company to help you.
2. Be sure that you can handle premium payments. Can you afford the initial premium? If the premium increases later and you still need insurance, can you still afford it?
3. Don't sign an insurance application until you review it carefully to be sure all the answers are complete and accurate.
4. Don't buy life insurance unless you intend to stick with your plan. It may be very costly if you quit during the early years of the policy.
5. Don't drop one policy and buy another without a thorough study of the new policy and the one you have now. Replacing your insurance **may be costly**.
6. Read your policy carefully. Ask your agent or company about anything that is not clear to you.
7. Review your life insurance program with your agent or company every few years to keep up with changes in your income and your needs.

Buying Life Insurance

When you buy life insurance, you want coverage that fits your needs.

First, decide how much you need - and for how long - and what you can afford to pay. Keep in mind the major reason you buy life insurance is to cover the financial effects of unexpected or untimely death. Life insurance can also be one of many ways you plan for the future.

Next, learn what kinds of policies will meet your needs and pick the one that best suits you.

Then, choose the combination of policy premium and benefits that emphasizes protection in case of early death, or benefits in case of long life, or a combination of both.

It makes good sense to ask a life insurance agent or company to help you. An agent can help you review your insurance needs and give you information about the available policies. If one kind of policy doesn't seem to fit your needs, ask about others.

This guide provides only basic information. You can get more facts from a life insurance agent or company or from your public library.

What about the Policy You Have Now?

If you are thinking about dropping a life insurance policy, here are some things you should consider:

- If you decide to replace your policy, don't cancel your old policy until you have received the new one. You then have a minimum period to review your new policy and decide if it is what you wanted.
- It may be costly to replace a policy. Much of what you paid in the early years of the policy you have now, paid for the company's cost of selling and issuing the policy. You may pay this type of cost again if you buy a new policy.
- Ask your tax advisor if dropping your policy could affect your income taxes.
- If you are older or your health has changed, premiums for the new policy will often be higher. You will not be able to buy a new policy if you are not insurable.
- You may have valuable rights and benefits in the policy you now have that are not in the new one.
- If the policy you have now no longer meets your needs, you may not have to replace it. You might be able to change your policy or add to it to get the coverage or benefits you now want.
- At least in the beginning, a policy may pay no benefits for some causes of death covered in the policy you have now.

In all cases, if you are thinking of buying a new policy, check with the agent or company that issued you the one you have now. When you bought your old policy,

you may have seen an illustration of the benefits of your policy. Before replacing your policy, ask your agent or company for an updated illustration. Check to see how the policy has performed and what you might expect in the future, based on the amounts the company is paying now.

How Much Do You Need?

Here are some questions to ask yourself:

- How much of the family income do I provide? If I were to die early, how would my survivors, especially my children, get by? Does anyone else depend on me financially, such as a parent, grandparent, brother or sister?
- Do I have children for whom I'd like to set aside money to finish their education in the event of my death?
- How will my family pay final expenses and repay debts after my death?
- Do I have family members or organizations to whom I would like to leave money?
- Will there be estate taxes to pay after my death?
- How will inflation affect future needs?

As you figure out what you have to meet these needs, count the life insurance you have now, including any group insurance where you work or veteran's insurance. Don't forget Social Security and pension plan survivor's benefits. Add other assets you have: savings, investments, real estate and personal property. Which assets would your family sell or cash in to pay expenses after your death?

What is the Right Kind of Life Insurance?

All policies are not the same. Some give coverage for your life time and others cover you for a specific number of years. Some build up cash values and others do not. Some policies combine different kinds of insurance, and others let you change from one kind of insurance to another. Some policies may offer other benefits while you are still living. Your choice should be based on your needs and what you can afford.

There are two basic types of life insurance: **term insurance** and **cash value insurance**. Term insurance generally has lower premiums in the early years, but does not build up cash values that you can use in the future. You may combine cash value life insurance with term insurance for the period of your greatest need for life insurance to replace income.

Term Insurance covers you for a term of one or more years. It pays a death benefit only if you die in that term. Term insurance generally offers the largest insurance protection for your premium dollar. It generally does not build up cash value.

You can renew most term insurance policies for one or more terms even if your health has changed. Each time

you renew the policy for a new term, premiums may be higher. Ask what the premiums will be if you continue to renew the policy. Also ask if you will lose the right to renew the policy at some age. For a higher premium, some companies will give you the right to keep the policy in force for a guaranteed period at the same price each year. At the end of that time you may need to pass a physical examination to continue coverage, and premiums may increase.

You may be able to trade many term insurance policies for a cash value policy during a conversion period – even if you are not in good health. Premiums for the new policy will be higher than you have been paying for the term insurance.

Cash Value Life Insurance is a type of insurance where the premiums charged are higher at the beginning than they would be for the same amount of term insurance. The part of the premium that is not used for the cost of insurance is invested by the company and builds up a cash value that may be used in a variety of ways. You may borrow against a policy's cash value by taking a policy loan. If you don't pay back the loan and the interest on it, the amount you owe will be subtracted from the benefits when you die, or from the cash value if you stop paying premiums and take out the remaining cash value. You can also use your cash value to keep insurance protection for a limited time or to buy a reduced amount without having to pay more premiums. You also can use the cash value to increase your income in retirement or to help pay for needs such as a child's tuition without canceling the policy. However, to build up this cash value, you must pay higher premiums in the earlier years of the policy. Cash value life insurance may be one of several types; whole life, universal life and variable life are all types of cash value insurance.

Whole Life Insurance covers you for as long as you live if your premiums are paid. You generally pay the same amount in premiums for as long as you live. When you first take out the policy, premiums can be several times higher than you would pay initially for the same amount of term insurance. But they are smaller than the premiums you would eventually pay if you were to keep renewing a term policy until your later years.

Some whole life policies let you pay premiums for a shorter period such as 20 years, or until age 65. Premiums for these policies are higher since the premium payments are made during a shorter period.

Universal Life Insurance is a kind of flexible policy that lets you vary your premium payments. You can also adjust the face amount of your coverage. Increases may require proof that you qualify for the new death benefit. The premiums you pay (less expense charges) go into a policy account that earns interest. Charges are deducted from the account. If your yearly premium payment plus the interest your account earns is less than the charges, your account value will become lower.

If it keeps dropping, eventually your coverage will end. To prevent that, you may need to start making premium payments, or increase your premium payments, or lower your death benefits. Even if there is enough in your account to pay the premiums, continuing to pay premiums yourself means that you build up more cash value.

Variable Life Insurance is a kind of insurance where the death benefits and cash values depend on the investment performance of one or more separate accounts, which may be invested in mutual funds or other investments allowed under the policy. Be sure to get the prospectus from the company when buying this kind of policy and **STUDY IT CAREFULLY**. You will have higher death benefits and cash value if the underlying investments do well. Your benefits and cash value will be lower or may disappear if the investments you chose didn't do as well as you expected. You may pay an extra premium for a guaranteed death benefit.

Life Insurance Illustrations

You may be thinking of buying a policy where cash values, death benefits, dividends or premiums may vary based on events or situations the company does not guarantee (such as interest rates). If so, you may get an illustration from the agent or company that helps explain how the policy works. The illustration will show how the benefits that are not guaranteed will change as interest rates and other factors change. The illustration will show you what the company guarantees. It will also show you what *could* happen in the future. Remember that nobody knows what will happen in the future. You should be ready to adjust your financial plans if the cash value doesn't increase as quickly as shown in the illustration. You will be asked to sign a statement that says you understand that some of the numbers in the illustration are not guaranteed.

Finding a Good Value in Life Insurance

After you have decided which kind of life insurance is best for you, compare similar policies from different companies to find which one is likely to give you the best value for your money. A simple comparison of the premiums is not enough. There are other things to consider. For example:

- Do premiums or benefits vary from year to year?
- How much do the benefits build up in the policy?
- What part of the premiums or benefits is not guaranteed?
- What is the effect of interest on money paid and received at different times on the policy?

Remember that no one company offers the lowest cost at **all** ages for **all** kinds and amounts of insurance. You should also consider other factors:

- How quickly does the cash value grow? Some policies have low cash values in the early years that build quickly later on. Other policies have a more level cash value build-up. A year-by-year display of values and benefits can be very helpful. (The agent or company will give you a policy summary or an illustration that will show benefits and premiums for selected years.)
- Are there special policy features that particularly suit your needs?
- How are non-guaranteed values calculated? For example, interest rates are important in determining policy returns. In some companies, increases reflect the average interest earnings on all of that company's policies regardless of when issued. In others, the return for policies issued in a recent year, or a group of years, reflects the interest earnings on that group of policies; in this case, amounts paid are likely to change more rapidly when interest rates change.

IMPORTANT

YOU HAVE PURCHASED A LIFE INSURANCE POLICY OR ANNUITY CONTRACT. CAREFULLY REVIEW IT FOR LIMITATIONS.

THIS POLICY MAY BE RETURNED WITHIN 30 DAYS FROM THE DATE YOU RECEIVED IT FOR A FULL REFUND BY RETURNING IT TO THE INSURANCE COMPANY OR AGENT WHO SOLD YOU THIS POLICY. AFTER 30 DAYS, CANCELLATION MAY RESULT IN A SUBSTANTIAL PENALTY, KNOWN AS A SURRENDER CHARGE.



October 24, 2007

Dear New Policy Owner:

Welcome! It's wonderful that you've chosen a Phoenix product as part of your financial plan, and we promise to do our best to serve you now and in the coming years.

This packet contains some important information labeled carefully as to its use and your responsibility:

- Your Phoenix contract, including a cover letter detailing your rights as a policy holder and customer. **Store this in a safe place** with your other financial information.
- A form acknowledging receipt of your contract. Please fill out this form and return it to us in the enclosed envelope.
- If a premium payment is required, directions about where to send the payment
- A brochure about how to work with our Customer Care Center by phone, online or by mail.

With this purchase, you have committed yourself to a long-term financial goal and an ongoing relationship with Phoenix, a financially strong and stable company with a history of keeping our promises. That is our commitment to you, our valued customer.

Yours truly,

Chairman, President and Chief Executive Officer